

# U.S. NAVAL CRIMINAL INVESTIGATIVE SERVICE

REPORT OF INVESTIGATION (CLOSED)

28DEC16

GENERAL PROCUREMENT (II)

CONTROL: 26JUL16-MEDJ-0144-4GSO/C

I/CONTRACTING AND PROCUREMENT MATTERS AFFECTING CAMP LEMONNIER, DJIBOUTI  
(CLDJ)

COMMAND/CAMP LEMONIER/3379A

MADE AT/MEDJ/DJIBOUTI - NCISRU (b)(6), (b)(7)(C) SPECIAL AGENT

## REFERENCE(S)

- (A) NCISRA Djibouti ROI (Interim)...(Contains Exhibit 1)/23SEP16
- (B) NCISRA Djibouti ROI (Interim)...(Contains Exhibit 2)/29OCT16
- (C) NCISRA Djibouti ROI (Interim)...(Contains Exhibit 3-4)/28NOV16
- (D) NCISRA Djibouti Case File: I/Economics Crime-Prevention and Awareness Brief/CCN: 07DEC16-MEDJ-0266-9ZNA/07DEC16
- (E) NCISRA Djibouti Case File: I/Economics Crime-Prevention and Awareness Brief/CCN: 21DEC16-MEDJ-0277-9ZNA/21DEC16

## EXHIBIT(S)

- (5) IA: RESULTS OF VETTING OF U.S. BASED CONTRACTORS

## EXECUTIVE SUMMARY

1. This proactive operation is designed to uncover U.S. Code violations under Title 18 and violations of the Code of Federal Regulations (CFR), this operation will serve as an umbrella to fully identify key DON acquisition centers falling under the purview of NAVFAC EURASWA, Commander CLDJ, Commander Combined Joint Task Force (CJTF) HOA, and Special Operations Command (Forward) (SOCFWD). Focus, however, will be given to the Public Works Department (PWD) aboard CLDJ, the primary contracting entity in the AOR. Continued integration into the programs will help identify and neutralize threats to priority acquisition programs. This operation will seek to establish productive working relationships with key program and acquisition personnel in order to develop a comprehensive knowledge of the critical programs, a full understanding of the program missions, procured products, funds appropriated, identify manufacturers, contractors, sub-contractors and contract types. Under this umbrella, investigations will be initiated as the result of rigorous activities to include contract vulnerability reviews, fraud briefings, and liaison and source development. A another objective of this operation will be identify contract corruption throughout the AOR. Business culture in the HOA and throughout the region includes activities such as gratuities, rotations of contract awards, collusive bidding, nepotistic and cronyistic business practices, product substitution, under delivering for contract specifications, and other deceptive business practices. These practices are against the law in the United States and are considered a corruption of the contract and acquisition processes within the DoD. Investigations by NCIS and the Defense Criminal Investigative Service (DCIS) turned up issues related to corruptive

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practices aboard CLDJ. NCISRA-MEDJ has also identified vulnerability where U.S. citizens wishing to work aboard CLDJ as contractors had not been properly vetted. An initial assessment identified three contractors whose past criminal activity had not been previously identified and which warranted debarment from working on all U.S. facilities within the AOR. This operation will serve as a means to further identify DoD members involved in illegal contracting activities, vulnerabilities in the AOR acquisition process, and patterns and trends used by foreign vendors to target DoD activities. This operation is now closed and results will be reported under a separate reporting mechanism.

## NARRATIVE

1. This proactive operation seeks to investigate contractors engaged in illegal business practices and vet U.S. citizens seeking employment at Camp Lemonier, Djibouti (CLDJ).
2. Since the publishing of reference (C), there have been a total of eighteen (18) contractors that have been vetted; results were forwarded to the base Security Commander. To date there have been no debarments from this engagement, Exhibit (5) pertains.
- 3.. Reference (D) through (E) reflect two (2) Economics Crime-Prevention and Awareness Briefs provided to military and/or civilian personnel assigned to CLDJ or Combined Joint Task Force - Horn of Africa (CJTF-HOA) during this reporting period.
4. Contact has been continuous with developed sources who hold key positions with daily and direct knowledge for the detection of possible fraud on existing contracts. No new cases were developed during this reporting period.
5. A summary recap of operational activity in this reporting cycle reflects the following totals:
  - A. Investigations Initiated: 00
  - B. Total Number of Subjects and Co-Subjects: 00
  - C. Number of Individuals Vetted: 18
  - D. Fraud Awareness Briefs: 02
  - E. Branch Military Service: N/A
  - F. Civilian Status: N/A
  - G. NCIS Sources Utilized: (b)(7)(E)
  - H. Cooperating Agency: Defense Criminal Investigative Service (DCIS)
  - I. Funds Expended by Cooperating Agency on NCIS Cases: \$0
  - J. NCIS EEE Funds Expended: \$0
  - K. Oral/Wire Intercepts Utilized: 00
6. A summary recap of operational activity since the inception of this operation:
  - A. Investigations Initiated: 00
  - B. Total Number of Subjects and Co-Subjects: 00
  - C. Number of Individuals Vetted: 218
  - D. Fraud Awareness Briefs: 10
  - E. Branch Military Service: N/A
  - F. Civilian Status: N/A

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G. NCIS Sources Utilized: (b)(7)(E)

H. Cooperating Agency: Defense Criminal Investigative Service (DCIS)

I. Funds Expended by Cooperating Agency on NCIS Cases: \$0

J. NCIS EEE Funds Expended: \$0

7. Subsequent to a review conducted by NCISHQ of this operation and the Fraud Billet at NCISRA Djibouti being temporarily vacant for almost six weeks due to Case Agent's redeployment back to the United States. This operation is now closed. Results of future investigative efforts resulting in operational leads or activity will be reported under a separate reporting mechanism.

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NCISHQ:23A1/0023

INFO :MEDJ/MEFO/002A

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